

Special/Capital Funds Augmentation/Reduction Summary Annual Report 2006-2007

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT MAINT & OPER FUND (523)				
<i>Airport Contingency - Reserve</i>	Airport		(\$787,755)	
Decreases the Airport's Contingency Reserve by \$787,755 to offset an adjustment in the Airport's overhead rate.				
<i>Airport Interdepartmental Overhead Rate Adjustment</i>	Airport		\$30,380	
Increases the Airport's Overhead appropriation by \$30,380 to account for the adjusted Airport overhead rate paid to the General Fund for non-Airport department positions supported by the Airport.				
<i>Airport Overhead Rate Adjustment</i>	Airport		\$757,375	
Increases the Airport's Non-Personal/Equipment appropriation by \$757,375 to account for the adjusted Airport overhead rate paid to the General Fund for Airport-funded positions.				
TOTAL AIRPORT MAINT & OPER FUND (523)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT RENEW & REPL FUND (527)				
<i>Central Plant Expansion</i>	Airport Capital Program		\$10,000	
Establishes a Central Plant Expansion appropriation in the amount of \$10,000 in the Airport Renewal and Replacement Fund. This allocation will pay for the Central Plant Expansion's portion of the construction lay-down costs located on the FMC property. This funding is merely being reallocated from the Central Plant Expansion project in the Airport Revenue Bond Improvement Fund since these costs are not eligible for bond funding. There is a corresponding decrease in the Airport Revenue Bond Improvement Fund.				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		(\$323,000)	
Decreases the Ending Fund Balance to offset actions recommended in this report.				
<i>Refurbish/Replacement of Parking Cashier Booths</i>	Airport Capital Program		(\$149,000)	
Decreases the Refurbish/Replacement of Parking Cashier Booths appropriation by \$149,000. This funding was originally intended for the modification of these booths located in the red lot. Since the red lot has been taken out of service, this funding is no longer needed and will instead be reallocated to the Terminal Modifications project to fund the relocation of the CTX machine to Terminal A.				
<i>Refurbish/Replacement of Shuttle Bus Shelters</i>	Airport Capital Program		(\$162,000)	
Decreases the Refurbish/Replacement of Shuttle Bus Shelters appropriation by \$162,000. This funding was originally intended for the modification of these bus shelters located in the red lot. Since the red lot has been taken out of service, this funding is no longer needed and will instead be reallocated to the Terminal Modifications project to fund the relocation of the CTX machine to Terminal A.				
<i>Terminal Area Improvement, Phase II</i>	Airport Capital Program		\$73,000	
Establishes a Terminal Area Improvement, Phase II (TAIP) appropriation in the amount of \$73,000 in the Airport Renewal and Replacement Fund. This allocation will pay for the TAIP's portion of the construction lay-down costs located on the FMC property. This funding is merely being reallocated from the TAIP project in the Airport Revenue Bond Improvement Fund since these costs are not eligible for bond funding. There is a corresponding decrease in the Airport Revenue Bond Improvement Fund.				
<i>Terminal Building Modifications</i>	Airport Capital Program		\$311,000	
Increases the Terminal Building Modifications appropriation by \$311,000. This funding is being reallocated from the Refurbish/Replacement of Parking Cashier Booths and Refurbish/Replacement of Shuttle Bus Shelters appropriations since the funding is no longer needed for those projects. With the relocation of Mexicana Airlines to Terminal A, the increase in baggage processing creates a need for an additional CTX machine, therefore this funding will be used to relocate one to Terminal A.				

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AIRPORT RENEW & REPL FUND (527)				
<i>Terminal C Carpet Replacement</i>	Airport Capital Program		\$140,000	
Increases the Terminal C Carpet Replacement appropriation by \$140,000. The carpeting in Terminal C is worn and poses safety hazards to Airport customers. Since Terminal C will not be torn down for at least the next couple of years, it is imperative that the carpet be replaced now for the safety and comfort of the guests of the Airport.				
<i>Terminal Seating</i>	Airport Capital Program		\$100,000	
Establishes a Terminal Seating appropriation in the amount of \$100,000. This funding will be used to replace seating throughout the Airport terminals, especially in Terminal A Plus. The current seats are several years old and show extreme signs of age, including tears.				
TOTAL AIRPORT RENEW & REPL FUND (527)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT REV BOND IMP FUND (526)				
<i>Central Plant Expansion</i>	Airport Capital Program		(\$10,000)	
Decreases the Central Plant Expansion appropriation by \$10,000 in the Airport Revenue Bond Improvement Fund. This funding pays for the Central Plant Expansion's portion of the construction lay-down costs located on the FMC property and is not eligible for bond funding. There is a corresponding increase in the Airport Renewal and Replacement Fund, where the budgeting of these costs is allowable.				
<i>Consolidated Rental Car Facility</i>	Airport Capital Program		\$200,000	
Increases the Consolidated Rental Car Facility appropriation by \$200,000 to fund an Inter-Terminal Passenger Connection study. This study will evaluate the feasibility of an electronic walkway to be featured within the Airport's new facility. Funding for this effort will be taken from the Terminal Area Improvement, Phase I Airport Program Reserve.				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		\$83,000	
Increases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Terminal Area Improvement, Phase I</i>	Airport Capital Program		(\$200,000)	
Decreases the Terminal Area Improvement, Phase I appropriation by \$200,000 to fund the Inter-Terminal Passenger Connection study as part of the Consolidated Rental Car Facility project. This study will evaluate the feasibility of an electronic walkway to be featured within the Airport's new facility. This allocation is being decreased from the Terminal Area Improvement, Phase I Airport Program Reserve.				
<i>Terminal Area Improvement, Phase II</i>	Airport Capital Program		(\$73,000)	
Decreases the Terminal Area Improvement, Phase II (TAIP) appropriation by \$73,000 in the Airport Revenue Bond Improvement Fund. This funding pays for the TAIP's portion of the construction lay-down costs located on the FMC property and is not eligible for bond funding. There is a corresponding increase in the Airport Renewal and Replacement Fund, where the budgeting of these costs is allowable.				
TOTAL AIRPORT REV BOND IMP FUND (526)			\$0	\$0
ANTI-TOBACCO SETTLEMENT FUND (426)				
<i>Addressing the Gaps in Aging Services</i>	Parks, Rec And Neigh Svcs	1.00		
Adds two 0.50 part-time Cook positions for the Addressing the Gaps in Aging Services Program. These limit-dated positions will support the Cook-on-Site Programs at the Almaden and Gardner Community Centers and will be funded by the existing allocation in the Healthy Neighborhoods Venture Fund (HNVF) and by a grant from the Council on Aging of Silicon Valley. The positions will be added in HNVF. Recognition of the grant revenue is described elsewhere in the document.				
TOTAL ANTI-TOBACCO SETTLEMENT FUND (426)		1.00	\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
BLDG & STRUCT CONST TAX FUND (429)				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$998,000)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>Seismic Bridge Retrofit - Southwest Expressway</i>	Traffic Capital Program		\$407,000	
Increases funding for the Seismic Bridge Retrofit - Southwest Expressway project. Previous project funding was for planning activities, and this additional funding will provide for design and construction.				
<i>Senter Road: Tully to Singleton</i>	Traffic Capital Program		\$346,000	\$346,000
Establishes a Transfer in from the Major Arterials and Collectors Fund (\$96,000), recognizes additional revenue collected (\$250,000), and allocates funding to the Senter Road: Tully to Singleton project (\$346,000). Funding of \$96,000 was erroneously deposited into the Major Arterials and Collectors Fund for street improvements for the Senter Road: Tully to Singleton project. Additional revenue of \$250,000 was received as the final payment from the PG&E Settlement Agreement for related improvements to Senter Road.				
<i>Traffic Signal - Hostetter Road and Piedmont Road</i>	Traffic Capital Program		\$591,000	
Establishes funding for the Traffic Signal - Hostetter Road and Piedmont Road project. The recent completion of the Hostetter Road extension warrants a new traffic signal, and this project will fund a new traffic signal at the intersection of Hostetter Road and Piedmont Road.				
<i>Traffic Signals</i>	Traffic Capital Program		\$280,000	\$280,000
This action recognizes revenue received from Developer In-Lieu fees for 11 traffic signal improvements and allocates funding to the Traffic Signals project.				
TOTAL BLDG & STRUCT CONST TAX FUND (429)			\$626,000	\$626,000

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
BRANCH LIB BOND PROJECT FUND (472)				
<i>Arbitrage Rebate Payment - Series 2005 General Obligation Bonds</i>	Library Capital Program		\$321,000	
Establishes a Transfer to the Trustee Rebate Fund for the Series 2005 General Obligation Bonds Arbitrage Rebate Liability appropriation to sufficiently fund the anticipated arbitrage rebate liability. Interest earnings in excess of the borrowing rate on tax-exempt bonds, referred to as the arbitrage rebate liability, must be paid to the IRS on each fifth-year anniversary of a bond issuance. To insure that sufficient funds are available when needed, the City annually evaluates the rebate liability for each of its tax-exempt bond series and transfers an amount sufficient to fully fund that liability. These annual transfers are particularly critical in the case of the City's general obligation bonds, as interest earnings on the project funds are the only source of payment for the rebate liability. If such transfers are not made, and the project funds are depleted prior to the rebate payment date, the City would have to make the rebate payment out of its General Fund. An offsetting adjustment to the Ending Fund Balance of this fund is recommended elsewhere in this document.				
<i>Arbitrage Rebate Payment - Series 2006 General Obligation Bonds</i>	Library Capital Program		\$362,000	
Establishes a Transfer to the Trustee Rebate Fund for the Series 2006 General Obligation Bonds Arbitrage Rebate Liability appropriation to sufficiently fund the anticipated arbitrage rebate liability. Interest earnings in excess of the borrowing rate on tax-exempt bonds, referred to as the arbitrage rebate liability, must be paid to the IRS on each fifth-year anniversary of a bond issuance. To insure that sufficient funds are available when needed, the City annually evaluates the rebate liability for each of its tax-exempt bond series and transfers an amount sufficient to fully fund that liability. These annual transfers are particularly critical in the case of the City's general obligation bonds, as interest earnings on the project funds are the only source of payment for the rebate liability. If such transfers are not made, and the project funds are depleted prior to the rebate payment date, the City would have to make the rebate payment out of its General Fund. An offsetting adjustment to the Ending Fund Balance of this fund is recommended elsewhere in this document.				
<i>Ending Fund Balance Adjustment</i>	Library Capital Program		(\$683,000)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				
TOTAL BRANCH LIB BOND PROJECT FUND (472)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CITY HALL DEBT SERVICE FUND (210)				
<i>Fund Balance Reconciliation</i>	Finance			(\$56,478)
This action decreases the Beginning Fund Balance to reflect actual 2006-2007 interest earnings.				
<i>Interest Earnings</i>	Finance			\$56,478
This action increases the estimate for Earned Revenue based on anticipated interest earnings collections.				
TOTAL CITY HALL DEBT SERVICE FUND (210)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CIVIC CENTER CONST FUND (425)				
<i>Arbitrage Rebate Payment - 2002C/2006A Lease Revenue Bonds</i>	New City Hall Capital Program		\$100,000	
Establishes a Transfer to the Trustee Rebate Fund for the Series 2002C/2006A Lease Revenue Bonds Arbitrage Rebate Liability appropriation to sufficiently fund the anticipated arbitrage rebate liability. Interest earnings in excess of the borrowing rate on tax-exempt bonds, referred to as the arbitrage rebate liability, must be paid to the IRS on each fifth-year anniversary of a bond issuance. To insure that sufficient funds are available when needed, the City annually evaluates the rebate liability for each of its tax-exempt bond series and transfers an amount sufficient to fully fund that liability.				
<i>Reserve for Civic Center</i>	New City Hall Capital Program		(\$100,000)	
Reduces the Reserve for Civic Center to fund actions recommended in this report.				
<i>Tech Adjust: City Hall Network Ops Cntr Secondary Cooling System</i>	New City Hall Capital Program		\$1,304,000	
The following three actions 1) decrease the Watson Park Site Clean-up appropriation in the Civic Center Construction Fund by \$3,304,000 2) establish a City Hall Operations Center Secondary Cooling System appropriation in the Civic Center Construction Fund in the amount of \$1,304,000 and 3) establish a Police Administration Voice and Data Network Enhancement Project appropriation in the Civic Center Construction Fund in the amount of \$2,000,000. This adjustment will allow tax-exempt bond proceeds in the Civic Center Construction Fund to be spent consistent with IRS regulations that require that the funds be expended or appropriated toward eligible expenditures in a timely manner.				
<i>Tech Adjust: Police Admin Voice & Data Network Enhancements</i>	New City Hall Capital Program		\$2,000,000	
As described above, this action 1) decreases the Watson Park Site Clean-up appropriation in the Civic Center Construction Fund by \$3,304,000 2) establishes a City Hall Operations Center Secondary Cooling System appropriation in the Civic Center Construction Fund in the amount of \$1,304,000 and 3) establishes a Police Administration Voice and Data Network Enhancement Project appropriation in the Civic Center Construction Fund in the amount of \$2,000,000. This adjustment will allow tax-exempt bond proceeds in the Civic Center Construction Fund to be spent consistent with IRS regulations that require that the funds be expended or appropriated toward eligible expenditures in a timely manner.				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CIVIC CENTER CONST FUND (425)				
<i>Technical Adjust: Watson Park Site Clean-up and Restoration</i>	New City Hall Capital Program		(\$3,304,000)	
As described above, this action 1) decreases the Watson Park Site Clean-up appropriation in the Civic Center Construction Fund by \$3,304,000 2) establishes a City Hall Operations Center Secondary Cooling System appropriation in the Civic Center Construction Fund in the amount of \$1,304,000 and 3) establishes a Police Administration Voice and Data Network Enhancement Project appropriation in the Civic Center Construction Fund in the amount of \$2,000,000. This adjustment will allow tax-exempt bond proceeds in the Civic Center Construction Fund to be spent consistent with IRS regulations that require that the funds be expended or appropriated toward eligible expenditures in a timely manner.				
TOTAL CIVIC CENTER CONST FUND (425)			\$0	\$0
COMMTY FACIL REVENUE FUND (422)				
<i>Ending Fund Balance Adjustment</i>	Finance		(\$21,634)	
Reduces the Ending Fund Balance to fund the action described below.				
<i>Hayes Phase III Debt Service Adjustment</i>	Finance		\$21,634	
This action would adjust the budget to tie to the most recent Debt Service Payment Schedule.				
TOTAL COMMTY FACIL REVENUE FUND (422)			\$0	\$0
CONST/CONV TAX FD PARKS CD3 FUND (380)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$50,000)	
Decreases the Ending Fund Balance to offset the Yu Ai-Kai Roof Improvements project increase recommended in this report.				
<i>Yu Ai-Kai Roof Improvements</i>	Parks & Comm Fac Dev Capital Program		\$50,000	
Establishes an appropriation for the Yu Ai-Kai Roof Improvements project. If approved, this project will entail the General Services Department removing and replacing the roof and roof drainage system of the Yu-Ai-Kai building (a City-owned facility). An offsetting adjustment to the Ending Fund Balance of this fund is recommended to fund this action.				
TOTAL CONST/CONV TAX FD PARKS CD3 FUND (380)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TAX FD-FIRE FUND (392)				
<i>Communications Hill Fire Station Apparatus</i>	Public Safety Capital Program		\$122,600	\$122,600
Recognizes revenue received from KB Home South Bay Inc. and allocates funding to the Fire Department for fixtures, furnishings, and equipment at developer-funded Fire Station 33.				
<i>Ending Fund Balance</i>	Public Safety Capital Program		(\$600,000)	
Reduces the Ending Fund Balance to fund the actions recommended below.				
<i>Fire Station 12 - Relocation (Calero)</i>	Public Safety Capital Program		\$400,000	
Provides additional funding for Fire Station 12 to replenish the construction contingency, which has been diminished due to costs related to the discovery of ancient Native American remains, and to increase the construction contingency to the standard level of 10% adopted by the City Council. Additional funding is also requested to account for increased staff costs due to management of contractors.				
<i>Records Management System</i>	Public Safety Capital Program		\$200,000	
Provides additional funding for the Records Management System project to account for project delays and project management costs. Project completion was anticipated in 2007-2008, but will now be completed in early 2008-2009.				
TOTAL CONST/CONV TAX FD-FIRE FUND (392)			\$122,600	\$122,600
CONST/CONV TAX FD-PARKS CW FUND (391)				
<i>Vietnamese Cultural Heritage Garden</i>	Parks & Comm Fac Dev Capital Program		\$25,000	\$25,000
Increases the appropriation for the Vietnamese Cultural Heritage Garden project by \$25,000 to provide additional funds for plan review and inspection services. The current agreement between the City and the Vietnamese Heritage Society specifies that the City is responsible for the first \$80,000 of plan review and inspection services costs, and any charges above that level are the responsibility of the Vietnamese Heritage Society. The City is now close to exceeding the preliminary \$80,000 cost, therefore it is recommended that additional funds of \$25,000 be appropriated, and a corresponding increase in the Earned Revenue estimate (which represents receipt of payment from the Vietnamese Heritage Society) be established. The \$25,000 increase recommended as part of this document will allow the City to continue preparing and executing an agreement with a consultant to perform structural review of the project.				
TOTAL CONST/CONV TAX FD-PARKS CW FUND (391)			\$25,000	\$25,000

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CONSTR/CONV TAX FD-LIBRARY FUND (393)				
<i>Ending Fund Balance Adjustment</i>	Library Capital Program		(\$875,000)	
Reduces the Ending Fund Balance to fund the actions recommended below.				
<i>New Branch Opening Day Collections</i>	Library Capital Program		\$800,000	
Increases the New Branch Opening Day Collections allocation by \$800,000. This allocation provides funding for the purchase of new collections for new bond-funded branch libraries that will be coming on-line within the next few years.				
<i>Reserve: New Branch Opening Day Collections</i>	Library Capital Program		\$75,000	
Increases the New Branch Opening Day Collections Reserve by \$75,000. This reserve sets aside funding for the purchase of new collections for new bond-funded branch libraries that will be coming on-line in future years.				
TOTAL CONSTR/CONV TAX FD-LIBRARY FUND (393)			\$0	\$0

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CONSTRUCTION EXCISE TAX FUND (465)				
<i>Bicycle and Pedestrian Facilities</i>	Traffic Capital Program		\$240,000	\$200,000
Recognizes additional revenue received (\$200,000), increases funding to the Bicycle and Pedestrian Facilities project (\$240,000), and decreases Ending Fund Balance (\$40,000). Additional funding was received from the Transportation Development Act grant program for the installation of various pedestrian and bicycle facilities, including sidewalks, crosswalks, bike lanes, bike parking, and school safety improvements.				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$174,000)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>Fiber Optics Permit Engineering</i>	Traffic Capital Program		\$950,000	\$950,000
Recognizes additional revenue for Fiber Optics Permit Fees and increases the funding for the Fiber Optics Permit Engineering project. The additional permit fees collected from fiber cable companies are for the installation of conduits, vaults, and cables in the public right-of-way.				
<i>Prop 1B - Street Maintenance</i>	Traffic Capital Program		\$11,700,000	\$2,700,000
Recognizes additional revenue received from the State and establishes funding for the Prop 1B - Street Maintenance project. The State Prop 1B Transportation Bonds are for discretionary local transportation improvements. This project will fund various street maintenance projects including sealing and resurfacing of City streets. A corresponding decrease to the Reserve - Prop 1B Local Transportation is recommended, as described below, to offset the allocation of this funding.				
<i>Reserve: Prop 1B - Local Transportation</i>	Traffic Capital Program		(\$9,000,000)	
Decreases the Reserve for Prop 1B - Local Transportation to establish funding for the Prop 1B - Street Maintenance project. A reserve was established in the development of the 2007-2008 Adopted Capital Budget to recognize the funding from the State, which allocated Prop 1B Transportation Bonds funding to the City for discretionary local transportation improvements. A corresponding increase to the Prop 1B - Street Maintenance project is recommended, as described above, to offset this action.				
<i>Route 101/Tully Interchange Upgrade</i>	Traffic Capital Program		\$4,000,000	\$4,000,000
Recognizes additional funding received from the State and establishes funding for the Route 101/Tully Interchange Upgrade project. The State Prop 1B Transportation Bonds are for discretionary local transportation improvements. This project will improve traffic flow as a result of the reconstruction of the Route 101/Tully interchange.				
<i>Street Light Engineering</i>	Traffic Capital Program		\$50,000	
Establishes funding for the Street Light Engineering project to provide for services that support developing new energy efficient street lighting systems, and provides support for miscellaneous street lighting requests in order to address significant safety needs.				

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CONSTRUCTION EXCISE TAX FUND (465)				
<i>Traffic Signal - San Salvador and 7th Street</i>	Traffic Capital Program		\$84,000	
Increases funding for the Traffic Signal - San Salvador and 7th Street project. The funding will provide for the design and construction of a traffic signal at the intersection of San Salvador Street and 7th Street.				
TOTAL CONSTRUCTION EXCISE TAX FUND (465)			\$7,850,000	\$7,850,000
CONV/CULTURAL AFFAIRS FUND (536)				
<i>Ending Fund Balance Adjustment</i>	Convention Facilities Dept		(\$1,645,857)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>Establishing a Sinking Fund</i>	Convention Facilities Dept		\$500,000	
Per previous City Council direction, this action will establish a Sinking Fund for future capital improvements in the Convention Center.				
<i>Technical Adjustment for Capital Improvement Fund</i>	Convention Facilities Dept		\$1,145,857	
This technical adjustment is necessary to account for \$1.15 million of Capital Improvement funds that were transferred to Team San Jose over the past two years for various capital improvement projects. Team San Jose can only issue checks from the receipt account in the Convention and Cultural Affairs Fund. Thus, all funds needed to be transferred to the Convention and Cultural Affairs Fund before Team San Jose can issue checks to various vendors.				
<i>Transfer from Transient Occupancy Tax Fund</i>	Convention Facilities Dept		\$150,000	\$150,000
Reconizes a transfer from the Transient Occupancy Tax Fund based on the higher tax collections received in 2006-2007.				
TOTAL CONV/CULTURAL AFFAIRS FUND (536)			\$150,000	\$150,000
CUSTOMER FAC & TRANSP FUND (519)				
<i>Airport Contingency Reserve</i>	Airport		(\$6,743)	
Decreases the Airport's Contingency Reserve to offset the adjustment in the Airport overhead rate (\$6,743).				
<i>Airport Overhead Rate Adjustment</i>	Airport		\$6,743	
Increases the Airport's Non-Personal/Equipment appropriation in the Customer Facilities and Transportation Fee Fund by \$6,743 to account for the adjusted Airport overhead rate paid to the General Fund for Airport-funded positions.				
TOTAL CUSTOMER FAC & TRANSP FUND (519)			\$0	\$0

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DEVELOPMENT ENHANCEMENT FUND (439)				
<i>Economic Development Catalyst Program</i>	Economic Development		\$300,000	
Increases funding for the Economic Development Catalyst Program. The program, which was approved by the City Council on November 14, 2006, provides funding to an investment manager, Pacific Community Management, Inc., to create a resource for strategic investment to support the growth and expansion of San José's small businesses.				
<i>Ending Fund Balance Adjustment</i>	Economic Development		(\$225,400)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>Loan Administration</i>	Economic Development		(\$154,600)	
Decreases the funding for Loan Administration to reflect the funding shift of several positions in the Office of Economic Development to the Community Development Block Grant (CDBG). A recent decision to terminate CDBG contracts with a vendor resulted in the termination of the contract with the consultant providing loan processing and packaging services for the CDBG project, Revolving Loan Fund. The multiple contracts with the consultant created an affordability factor for the loan administration contract that could not be duplicated with any replacement contractor; therefore, the Office of Economic Development staff assumed the responsibilities.				
<i>Loan Expenditures</i>	Economic Development		\$80,000	
Increases funding for Loan Expenditures to provide for two loan contracts with small businesses in the City. This funding provides direct loans to eligible and qualified borrowers to close the gap in financing when the lender does not provide the total amount of funds requested.				
TOTAL DEVELOPMENT ENHANCEMENT FUND (439)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
DOWNTOWN PBID (302)				
<i>Downtown Property and Business Improvement District Fund</i>	Transportation		\$800,000	\$1,316,500
This action recognizes revenue (\$1,316,500) from Downtown Property and Business Improvement District (PBID) assessments collected and establishes the Downtown PBID (\$800,000) appropriation. In order to establish the Downtown Property and Business Improvement Fund as directed by prior Council direction, the following transactions are being recommended: 1) recognize assessments collected (\$1,316,500), 2) establish a transfer from the General Fund (\$451,000), 3) establish a Downtown PBID appropriation (\$800,000), 4) establish a Transit Mall appropriation (\$167,500), and 5) establish a Reserve for Downtown PBID (\$800,000).				
<i>Downtown Transit Mall</i>	Transportation		\$167,500	
This action establishes funding for Transit Mall cleaning services. In order to establish the Downtown Property and Business Improvement District Fund as directed by prior Council direction, the following transactions are being recommended: 1) recognize assessments collected (\$1,316,500), 2) establish a transfer from the General Fund (\$451,000), 3) establish a Downtown PBID appropriation (\$800,000), 4) establish a Transit Mall appropriation (\$167,500), and 5) establish a Reserve for Downtown PBID (\$800,000).				
<i>Reserve for Downtown PBID</i>	Transportation		\$800,000	
This action establishes a Reserve for Downtown PBID. In order to establish this fund as directed by prior Council direction, the following transactions are being recommended: 1) recognize assessments collected (\$1,316,500), 2) establish a transfer from the General Fund (\$451,000), 3) establish a Downtown PBID appropriation (\$800,000), 4) establish a Transit Mall appropriation (\$167,500), and 5) establish a Reserve for Downtown PBID (\$800,000).				
<i>Transfer from the General Fund: Downtown PBID</i>	Transportation			\$451,000
Establishes a transfer from the General Fund. In order to establish the Downtown Property and Business Improvement District Fund as directed by prior Council direction, three transactions are being recommended: 1) reduce the Department of Transportation's Non-Personal/Equipment funding (\$167,500); 2) reduce the Environmental Services Department's Non-Personal/Equipment funding (\$283,500); and 3) establish a transfer out of the General Fund (\$451,000) into the Downtown PBID Fund.				
TOTAL DOWNTOWN PBID (302)			\$1,767,500	\$1,767,500

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
FEDERAL LLEBG PROG FUND (415)				
<i>Ending Fund Balance Adjustment</i>	Police		(\$29,073)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>Interest Income</i>	Police			(\$2,537)
This action reduces the estimated 2007-2008 interest income as a result of the grant ending and all funding being returned to the federal government.				
<i>LLEBG 2003-05</i>	Police		\$418	
This action appropriates grant funding that was unexpended in order to return the unused balance to the federal government.				
<i>LLEBG Close-Out</i>	Police		\$26,118	
This action appropriates grant funding that was unexpended in order to return the unused fund balance to the federal government and close out the Local Law Enforcement Block Grant Fund.				
TOTAL FEDERAL LLEBG PROG FUND (415)			(\$2,537)	(\$2,537)
GENERAL PURPOSE PARKING FUND (533)				
<i>Ending Fund Balance Adjustment</i>	Transportation		(\$72,164)	
Reduces the Ending Fund Balance to offset the action recommended in this report.				
<i>Reserve for Capital Development Account</i>	Transportation		(\$5,027,836)	
Decreases the Reserve for Capital Development Account by \$5,027,836. As approved in the Parking Management Plan, which was approved by City Council on June 12, 2007, the establishment of the Parking Capital Development Fund is being recommended. The purpose of the new Fund is to acquire land; design, develop, and construct parking facilities; acquire parking inventory; pay parking debt obligations; and support activities that have a direct impact on increasing parking supply. This action offsets the transfer being recommended for the purpose of the new Fund.				
<i>Transfer to the Parking Capital Development Fund</i>	Transportation		\$5,100,000	
Establishes a transfer to the Parking Capital Development Fund in the amount of \$5,100,000. As approved in the Parking Management Plan, which was approved by City Council on June 12, 2007, the establishment of the Parking Capital Development Fund is being recommended. The purpose of the new Fund is to acquire land; design, develop, and construct parking facilities; acquire parking inventory; pay parking debt obligations; and support activities that have a direct impact on increasing parking supply.				
TOTAL GENERAL PURPOSE PARKING FUND (533)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
GIFT TRUST FUND (139)				
<i>Library-General Gifts</i>	Library		\$167,000	\$167,000
Recognizes and appropriates several gifts totaling \$167,000 which were given to the Library for a wide variety of purposes.				
<i>Almaden Winery Park Youth Lot</i>	Parks, Rec And Neigh Svcs		\$5,689	\$5,689
Recognizes and appropriates \$5,689 to support improvements at the Almaden Winery Park Youth Lot.				
<i>Major Awards Banquet</i>	Police		\$2,650	\$2,650
Recognizes and appropriates a gift of \$2,650 to host the annual Major Awards Banquet to honor department personnel and residents.				
<i>Police Mounted Unit</i>	Police		\$7,005	\$7,005
Recognizes revenues from the sale of donated horses and appropriates funds for future horse purchases.				
TOTAL GIFT TRUST FUND (139)			\$182,344	\$182,344
HOME INVEST PART PROG FUND (445)				
<i>Earned Revenue</i>	Housing			\$2,000,000
Increases the estimate for Earned Revenue by \$2.0 million due to an encumbrance liquidation for the Neighborhood Housing Services Silicon Valley project. Funding for this project was encumbered in 2006-2007 and has been liquidated in 2007-2008.				
<i>Ending Fund Balance Adjustment</i>	Housing		\$2,100,000	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>Home Loans and Grants Project</i>	Housing		(\$100,000)	
Decreases Home Loans and Grants Project funding by \$100,000 to account for expenses for the Neighborhood Housing Services Silicon Valley project that occurred in 2006-2007. In the development of the 2007-2008 Adopted Budget, it was assumed that the full cost of this project would be incurred in 2007-2008; however, due to the Department's need to accelerate this project, \$100,000 was expended in 2006-2007.				
TOTAL HOME INVEST PART PROG FUND (445)			\$2,000,000	\$2,000,000

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
HOUSING TRUST FUND (440)				
<i>Ending Fund Balance Adjustment</i>	Housing		\$3,476,000	
Increases the Ending Fund Balance to account for actions recommended for this Fund in this report.				
<i>Housing and Homeless Projects</i>	Housing		\$1,000,000	
Increases the Housing and Homeless Projects appropriation to fund critical community programs unable to be funded by the Community Development Block Grant (CDBG) Fund. These critical programs include Neighborhood Housing Services Silicon Valley (NHSSV), the Ex-Offender Transition Project, and Project Hope.				
<i>In-Lieu Fee Revenue</i>	Housing			\$4,476,000
Increases the estimate for Earned Revenue in the Housing Trust Fund to reflect acceptance of an in-lieu cash payment. At the May 15, 2007 City Council meeting, the City Council authorized the City Manager to negotiate and execute agreements necessary to accept an upfront in-lieu cash payment from the Sobrato Group. This payment partially satisfied the Sobrato Group's inclusionary housing obligation for the development of 627 rental apartment units on the east side of Race Street between Auzerais Avenue and Parkmoor Avenue. According to Council direction, once received, this revenue will help fund programs and activities implementing the City's Ten-Year Plan to End Homelessness.				
<i>Teacher Rental Housing Program</i>	Housing		(\$200,000)	(\$200,000)
Decreases funding for the Teacher Rental Housing Program. This project will not be administered by the Housing Department as was originally anticipated. Instead, the Department's role will be limited to funding \$100,000 for program costs related to the "Teach Here, Live Here" campaign that provides rental assistance to San José teachers.				
TOTAL HOUSING TRUST FUND (440)			\$4,276,000	\$4,276,000

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
INTEGRATED WASTE MGT FUND (423)				
<i>Ending Fund Balance Adjustment</i>	Environmental Services		(\$1,075,600)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>Household Harzardous Waste Facility Funding</i>	Environmental Services		\$410,000	
This action would increase funding to the Household Harzardous Waste Facility by \$410,000 to provide sufficient funds for construction and development.				
<i>Neighborhood Cleanup RFP Funding</i>	Environmental Services		\$200,000	
This action would provide funding for the Neighborhood Cleanup RFP and evaluate many changes to this service as proposed by Council.				
<i>Recycle Plus Contract Adjustment</i>	Environmental Services		\$165,600	
This action would adjust the budgeted amount for the Recycle Plus Contract to tie to the actual contract requirement.				
<i>Waste Characterization Study</i>	Environmental Services		\$300,000	
This action would allow the Environmental Services Department to conduct the Waste Characterization Study that was approved in 2006-2007 to determine the sources and composition of material collected in the Recycle Plus Program.				
TOTAL INTEGRATED WASTE MGT FUND (423)			\$0	\$0
LOW/MOD INCOME HOUSING FUND (443)				
<i>Ending Fund Balance Adjustment</i>	Housing		\$4,403,128	
Increases the Ending Fund Balance to account for actions recommended in this report.				
<i>Homeless Management Information Strategies</i>	Housing		\$50,000	
Establishes a new appropriation to provide funding to Community Technology Alliance for expenditures related to Homeless Management Information Strategies (HMIS), a federally-mandated database that tracks data related to federally-funded homeless services.				
<i>Line of Credit</i>	Housing			\$2,500,000
Increases the estimates for the Low and Moderate Income Housing Fund's line of credit to cover project costs. Since project revenue in this Fund is reimbursed as expenses are incurred, this increase to the line of credit ensures that project costs are covered should there be a delay in reimbursement within the fiscal year.				
<i>Technical Adjustment: Tax Increment Funds</i>	Housing			\$1,953,128
Increases the Earned Revenue appropriation in the Low and Moderate Housing Fund to reflect an increase to tax increment revenue estimates as stated by the County Assessor's Office and reflected in the 2007-2008 Redevelopment Agency Budget.				
TOTAL LOW/MOD INCOME HOUSING FUND (443)			\$4,453,128	\$4,453,128

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
M.D. #10 OKMD STRM PMP STN FUND (363)				
<i>Ending Fund Balance Adjustment</i>	Transportation		(\$3,327)	
Reduces the Ending Fund Balance to offset the action recommended below.				
<i>Maintenance District #10 (Oakmead Storm Station)</i>	Transportation		\$3,327	
Increases the Department of Transportation's Non-Personal/Equipment appropriation through the use of remaining fund balance in order to close out this fund at the end of 2007-2008. The maintenance costs for the Oakmead Storm Station were transferred to the Storm Sewer Operating Fund as part of the 2005-2006 Adopted Operating Budget.				
TOTAL M.D. #10 OKMD STRM PMP STN FUND (363)			\$0	\$0
M.D. #15 SILVER CREEK FUND (368)				
<i>Ending Fund Balance Adjustment</i>	Transportation		(\$1,000)	
Reduces the Ending Fund Balance to offset the action recommended below.				
<i>Workers' Compensation Claims Payments</i>	Transportation		\$1,000	
Increases the Workers' Compensation Claims Payments appropriation in the Maintenance District #15 (Silver Creek Valley) Fund from \$2,881 to \$3,881. This increase is necessary to address higher than anticipated claims payments.				
TOTAL M.D. #15 SILVER CREEK FUND (368)			\$0	\$0
MAJR COLLECT AND ARTRLS FUND (421)				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$96,000)	
Reduces the Ending Fund Balance to offset the action recommended below.				
<i>Transfer to the Building and Structure Construction Tax Fund</i>	Traffic Capital Program		\$96,000	
Establishes a Transfer to the Building and Structure Construction Tax Fund and decreases Ending Fund Balance. Funding was erroneously deposited into the Major Arterials and Collectors Fund for street improvements for the Senter Road: Tully to Singleton project. A corresponding action is recommended, elsewhere in this document, to allocate this funding.				
TOTAL MAJR COLLECT AND ARTRLS FUND (421)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
MULTI-SOURCE HOUSING FUND (448)				
<i>In-Lieu Fee Projects</i>	Housing		\$1,500,000	\$1,500,000
Establishes a new appropriation to fund In-Lieu Fee projects. These projects will be funded by revenue from in-lieu fees as a result of recent amendments to the City's Inclusionary Housing Policy. These projects include financing for acquisition and rehabilitation of existing housing, financing for predevelopment activities prior to affordable housing development, and support to other general affordable housing projects.				
<i>Predevelopment Loan and Grant Program</i>	Housing		\$500,000	\$500,000
Establishes a Predevelopment Loans and Grant appropriation. This Predevelopment Loans and Grant program will be funded by revenue from in-lieu fees as a result of recent amendments made to the City's Inclusionary Housing Policy. For over fifteen years, the Housing Department utilized Community Development Block Grant (CDBG) funding for a revolving predevelopment program providing small loans to nonprofit agencies to perform predevelopment activities in preparation for affordable housing development. The Department was informed by the Department of Housing and Urban Development (HUD) in 2006-2007 that CDBG funds may no longer be used for predevelopment activities. This new appropriation will be used to fund this long-standing program.				
TOTAL MULTI-SOURCE HOUSING FUND (448)			\$2,000,000	\$2,000,000
NEIGHBHD SECURITY BOND FUND (475)				
<i>Arbitrage Rebate Payment - Series 2005 General Obligation Bonds</i>	Public Safety Capital Program		\$254,000	
Establishes a Transfer to the Trustee Rebate Fund for the Series 2005 General Obligation Bonds Arbitrage Rebate Liability appropriation to sufficiently fund the anticipated arbitrage rebate liability. Interest earnings in excess of the borrowing rate on tax-exempt bonds, referred to as the arbitrage rebate liability, must be paid to the IRS on each fifth-year anniversary of a bond issuance. To insure that sufficient funds are available when needed, the City annually evaluates the rebate liability for each of its tax-exempt bond series and transfers an amount sufficient to fully fund that liability. These annual transfers are particularly critical in the case of the City's general obligation bonds, as interest earnings on the project funds are the only source of payment for the rebate liability. If such transfers are not made, and the project funds are depleted prior to the rebate payment date, the City would have to make the rebate payment out of its General Fund.				
<i>Ending Fund Balance Adjustment</i>	Public Safety Capital Program		(\$254,000)	
Reduces the Ending Fund Balance to fund the action recommended above.				
TOTAL NEIGHBHD SECURITY BOND FUND (475)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
PARKING CAPITAL DEV FUND (556)				
<i>Parking Capital Development</i>	Parking Capital Program		\$5,100,000	
<p>This action establishes funding for Parking Capital Development. As approved in the Parking Management Plan, which was approved by City Council on June 12, 2007, the establishment of the Parking Capital Development Fund is being recommended. The purpose of the new fund is to acquire land; design, develop, and construct parking facilities; acquire parking inventory; pay parking debt obligations; and support activities that have a direct impact on increasing parking supply.</p>				
<i>Transfer from the General Purpose Parking Fund</i>	Parking Capital Program			\$5,100,000
<p>This action recognizes a transfer from the General Purpose Parking Fund. As approved in the Parking Management Plan, which was approved by City Council on June 12, 2007, the establishment of the Parking Capital Development Fund is being recommended. The purpose of the new fund is to acquire land; design, develop, and construct parking facilities; acquire parking inventory; pay parking debt obligations; and support activities that have a direct impact on increasing parking supply. This action will offset the funding recommendation, as described above, for the new fund.</p>				
TOTAL PARKING CAPITAL DEV FUND (556)			\$5,100,000	\$5,100,000
PARKS & REC BOND PROJECT FUND (471)				
<i>Arbitrage Rebate Payment - Series 2006 General Obligation Bonds</i>	Parks & Comm Fac Dev Capital Program		\$274,000	
<p>Establishes a Transfer to the Trustee Rebate Fund for the Series 2006 General Obligation Bonds Arbitrage Rebate Liability appropriation to sufficiently fund the anticipated arbitrage rebate liability. Interest earnings in excess of the borrowing rate on tax-exempt bonds, referred to as the arbitrage rebate liability, must be paid to the IRS on each fifth-year anniversary of a bond issuance. To insure that sufficient funds are available when needed, the City annually evaluates the rebate liability for each of its tax-exempt bond series and transfers an amount sufficient to fully fund that liability. These annual transfers are particularly critical in the case of the City's general obligation bonds, as interest earnings on the project funds are the only source of payment for the rebate liability. If such transfers are not made, and the project funds are depleted prior to the rebate payment date, the City would have to make the rebate payment out of its General Fund. An offsetting adjustment to the Ending Fund Balance of this fund is recommended elsewhere in this document.</p>				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$274,000)	
<p>Decreases the Ending Fund Balance to offset the Arbitrage Rebate Payment - Series 2006 General Obligation Bonds transfer recommended in this report.</p>				
TOTAL PARKS & REC BOND PROJECT FUND (471)			\$0	\$0

Special/Capital Funds Augmentation/Reduction Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
REDEV CAPITAL PROJECTS FUND (450)				
<i>Downtown Extended Hours Pilot Program</i>	Muni Improvements Capital Program		\$30,000	\$30,000
Provides \$30,000 in funding for the Downtown Extended Hours Pilot Program. The program will provide funding for the initial year of application fees for permit by eligible eating establishments to extend operating hours until 3AM in order to enable greater activation in the Downtown Redevelopment project areas.				
<i>Christmas in the Park</i>	Parks & Comm Fac Dev Capital Program		\$79,500	\$79,500
Increases the Christmas in the Park appropriation by \$79,500. The project consists of services that enhance the public spaces along the Paseo de San Antonio between Market and Fourth Streets, Fountain Alley, and San Pedro Square during the winter holiday season.				
TOTAL REDEV CAPITAL PROJECTS FUND (450)			\$109,500	\$109,500
SJ-SC TRMNT PLANT CAP FUND (512)				
<i>Digester Rehabilitation and Upgrade</i>	Water Pollution Control Capital Program		\$1,862,000	
This action would reallocate \$1.86 million from the Plant Infrastructure Improvements project to the Digester Rehabilitation and Upgrade project (formerly known as Scum Digestion).				
<i>Plant Infrastructure Improvements</i>	Water Pollution Control Capital Program		(\$1,862,000)	
This action would reallocate \$1.86 million from the Plant Infrastructure Improvements project to the Digester Rehabilitation and Upgrade project (formerly known as Scum Digestion).				
TOTAL SJ-SC TRMNT PLANT CAP FUND (512)			\$0	\$0

Special/Capital Funds Augmentation/Reduction Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Bellevue Park Improvements</i>	Parks & Comm Fac Dev Capital Program		\$100,000	
Establishes an appropriation for the Bellevue Park Improvements project. This project provides funding for the renovation of Bellevue Park, including removal of existing turf and irrigation, grading, and installation of a basketball court. The improvements to this park are outlined in the current park master plan. A corresponding decrease to the Reserve: Bellevue Park Improvements is also included in this document.				
<i>Berryessa Creek Park Play Lot Renovation</i>	Parks & Comm Fac Dev Capital Program		\$235,000	
Increases the Berryessa Creek Park Play Lot Renovation project by \$235,000 to fund additional features not included in the original project scope. Additional funding will be used for the installation of safety surfacing and for the purchase of additional play lot equipment. A decrease to the Reserve: Future PDO/PIFO Projects (\$66,000) and the Reserve: District 4 Parksites Acquisition (\$169,000) are also included in this document.				
<i>Guadalupe Gardens Community Garden</i>	Parks & Comm Fac Dev Capital Program		\$150,000	
Increases the Guadalupe Gardens Community Garden project by \$150,000. This project is currently underbudgeted, and this additional funding will ensure adequate funding to develop and construct a community garden at Guadalupe Gardens Park. A decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>Reserve: Bellevue Park Improvements</i>	Parks & Comm Fac Dev Capital Program		(\$100,000)	
Decreases the Bellevue Park Improvements Reserve and establishes an active project. This funding will be used for various improvements, as outlined in the park's master plan.				
<i>Reserve: Del Monte Park Development</i>	Parks & Comm Fac Dev Capital Program		\$66,000	
Establishes an appropriation for the Reserve: Del Monte Park Development. This reserve allocates partial funding for the future construction of a restroom and a dog-run at Del Monte Park. A decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>Reserve: District 4 Parksites Acquisition</i>	Parks & Comm Fac Dev Capital Program		(\$169,000)	
Decreases the District 4 Parksites Acquisition Reserve and redistributes the funding to the Berryessa Creek Park Play Lot Renovation project. This funding will be used for the installation of safety surfacing and the purchase of play lot equipment at Berryessa Creek Park.				
<i>Reserve: Future PDO/PIFO Projects</i>	Parks & Comm Fac Dev Capital Program		(\$482,000)	
Decreases the Reserve: Future PDO/PIFO Projects to reflect the net impact of the changes recommended in this document.				
<i>Reserve: Solari Park Renovation</i>	Parks & Comm Fac Dev Capital Program		(\$446,000)	
Decreases the Solari Park Renovation Reserve and redistributes funds to the Solari Community Center - Multi-Service project. This funding will be used for the design and construction of a new community center at Solari Park.				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Reserve: Spartan Keyes Area Park Development</i>	Parks & Comm Fac Dev Capital Program		\$200,000	
Increases the Spartan Keyes Area Park Development Reserve. This reserve allocates funding for the future development of parkland in the northwest area of Council District 9. A decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>Solari Community Center - Multi-Service</i>	Parks & Comm Fac Dev Capital Program		\$446,000	
Increases the Solari Community Center - Multi-Service project by \$446,000. This funding was previously set aside in a reserve, however, since the project is progressing, it is now recommended to move the funding to an active appropriation. A corresponding decrease to the Reserve: Solari Park Renovation is also included in this document.				
TOTAL SUBDIVISION PARK TRUST FUND (375)			\$0	\$0
SUPPL LAW ENF SVCES FUND (414)				
<i>Ending Fund Balance Adjustment</i>	Police		(\$11,165)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>SLES Grant 2004-06</i>	Police		\$10,001	
This action appropriates funding that was unexpended and unencumbered by June 30, 2006 in order to return the unused balance to the State.				
<i>SLES Grant 2005-07</i>	Police		\$1,164	
This action appropriates funding that was unexpended and unencumbered by June 30, 2007 in order to return the unused balance to the State.				
TOTAL SUPPL LAW ENF SVCES FUND (414)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
TRANSIENT OCCUPANCY TAX FUND (461)				
<i>Cultural Organizations</i>	Convention Facilities Dept		\$75,000	
Increases funding to the Fine Arts Commission for distribution to various cultural organizations that receive funding from the Transient Occupancy Tax (TOT) based on the higher tax collections received in 2006-2007. Per City Ordinance, the Fine Arts Commission receives 25% of the TOT tax receipts. This action is necessary to adjust the Commission's share of 2006-2007 tax receipts.				
<i>Ending Fund Balance Adjustment</i>	Convention Facilities Dept		(\$300,000)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>San Jose Convention and Visitor Bureau</i>	Convention Facilities Dept		\$75,000	
Increases funding to the San Jose Convention and Visitor Bureau (CVB) based on the higher Transient Occupancy Tax (TOT) collections received in 2006-2007. Per City Ordinance, the CVB receives 25% of the TOT tax receipts. This action is necessary to adjust CVB's share of 2006-2007 tax receipts.				
<i>Transfer to the Convention and Cultural Affairs Fund</i>	Convention Facilities Dept		\$150,000	
Increases funding to the Convention and Cultural Affairs Fund based on the higher Transient Occupancy Tax (TOT) collections received in 2006-2007. Per City Ordinance, the Convention and Cultural Affairs Fund receives 50% of the TOT tax receipts. This action is necessary to adjust Convention and Cultural Affairs' share of 2006-2007 tax receipts.				
TOTAL TRANSIENT OCCUPANCY TAX FUND (461)			\$0	\$0
WATER UTILITY CAPITAL FUND (500)				
<i>Forestwood Drive Main Replacement Appropriation Adjustment</i>	Water Utility Sys Capital Program		(\$300,000)	
This action would shift funding from the Forestwood Drive Main Replacement appropriation to the Infrastructure Replacement appropriation to fund the North First Street Main Replacement Project. There is sufficient funding remaining in the Forestwood Drive Main Replacement to complete that project.				
<i>Infrastructure Replacement Appropriation Adjustment</i>	Water Utility Sys Capital Program		\$300,000	
This action would shift funding from the Forestwood Drive Main Replacement appropriation to the Infrastructure Replacement appropriation to fund the North First Street Main Replacement Project. There is sufficient funding remaining in the Forestwood Drive Main Replacement to complete that project.				
TOTAL WATER UTILITY CAPITAL FUND (500)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
WATER UTILITY FUND (515)				
<i>Net Zero Adjustment for the Mapping of Potable Water System</i>	Environmental Services			
The action would shift \$30,000 from Personal Services to Non-Personal/Equipment to pay for the Mapping of Potable Water System.				
TOTAL WATER UTILITY FUND (515)			\$0	\$0
WORKFORCE INVESTMENT ACT FUND (290)				
<i>State Incentive Award</i>	Economic Development		\$35,301	\$35,301
Recognizes funding received from the State and establishes an appropriation for the State Incentive Award. Work2future received this incentive award for exemplary performance by meeting the program's performance measures. These funds may be used for any allowable cost under the Workforce Investment Act.				
<i>Veterans' Employment and Training Service</i>	Economic Development		\$10,000	\$10,000
Recognizes funding received from the U.S. Department of Labor and establishes funding for the Veterans' Employment and Training Service. Work2future received funding from the U.S. Department of Labor to support a reintegration of homeless veterans into the labor force. The program will enable homeless veterans to secure and keep jobs that will allow them to re-enter mainstream society as productive citizens. In addition, the program will provide training and job placement.				
TOTAL WORKFORCE INVESTMENT ACT FUND (290)			\$45,301	\$45,301